



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

DEC 10 2008

CT Corporation System, Registered Agent  
Chrysler LLC  
388 State Street, Ste 420  
Salem, OR 57901

RE: MUR 5932  
Chrysler LLC,  
f/k/a DaimlerChrysler Corporation

Dear Sir or Madam:

On August 16, 2007, the Federal Election Commission notified Chrysler LLC, f/k/a DaimlerChrysler Corporation, through you, of a complaint alleging violations of certain provisions of the Federal Election Campaign Act of 1971, as amended. On December 1, 2008, the Commission found, on the basis of the information in the complaint and publicly available information, that there is no reason to believe Chrysler LLC, f/k/a DaimlerChrysler Corporation violated the Act. Accordingly, the Commission closed its file in this matter.

Documents related to the case will be placed on the public record within 30 days. *See* Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003). The Factual and Legal Analysis, which explains the Commission's finding, is enclosed for your information.

If you have any questions, please contact Dominique Dillenseger, the attorney assigned to this matter at (202) 694-1650.

Sincerely,

A handwritten signature in black ink, appearing to read "Audra L. Wassom", with a long horizontal flourish extending to the right.

Audra L. Wassom  
Acting Assistant General Counsel

Enclosure  
Factual and Legal Analysis

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1 **FEDERAL ELECTION COMMISSION**

2 **FACTUAL AND LEGAL ANALYSIS**

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4 **RESPONDENT:** Chrysler LLC,  
5 f/k/a DaimlerChrysler Corporation

MUR: 5932

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8 **I. INTRODUCTION**

9 This matter was generated by a complaint filed with the Federal Election Commission by  
10 the International Brotherhood of Teamsters' Democratic-Republican Independent Voter  
11 Education Political Fund ("DRIVE PAC") and Teamsters Local Union No. 305 ("Teamsters").  
12 See 2 U.S.C. § 437g(a)(1).

13 **II. FACTUAL BACKGROUND**

14 In June 2007, the International Brotherhood of Teamsters and Teamsters Local No. 305,  
15 which counts among its membership some employees of Freightliner LLC, contacted Freightliner  
16 and asked the company to permit the Teamsters to administer a contribution check-off program  
17 in conjunction with Freightliner's payroll operations that would allow its members to elect to  
18 have voluntary contributions to the Teamsters' separate segregated fund, DRIVE PAC,  
19 automatically deducted from the employees' pay. Freightliner denied the Teamsters' request on  
20 the grounds that Freightliner itself did not utilize any method for soliciting voluntary  
21 contributions or facilitate the making of voluntary contributions from stockholders or executive  
22 or administrative personnel to a separate segregated fund, and therefore the company was not  
23 required make any methods available to a labor organization.

24 At the time the events at issue in the complaint took place, Freightliner, which is based  
25 in Portland, Oregon, was a wholly-owned subsidiary of DaimlerChrysler AG, a German

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1 automobile manufacturer. Freightliner does not have its own PAC, and does not appear to  
2 otherwise solicit, or facilitate the solicitation of, contributions to a separate segregated fund.  
3 DaimlerChrysler AG had another wholly-owned subsidiary, the DaimlerChrysler Corporation,  
4 which had a separate segregated fund registered with the Federal Election Commission under the  
5 name "DaimlerChrysler Corporation Political Support Committee" ("DaimlerChrysler PAC").  
6 The DaimlerChrysler Corporation apparently used a payroll deduction "check-off" plan to  
7 facilitate voluntary political contributions to the DaimlerChrysler PAC from its executive and  
8 administrative employees.

9 On August 3, 2007, two months after Freightliner denied the Teamsters' request,  
10 DaimlerChrysler AG sold off an 80.1% interest in the DaimlerChrysler Corporation to the private  
11 equity firm Cerberus. The DaimlerChrysler Corporation was renamed Chrysler LLC and its  
12 former parent was renamed Daimler AG. After the sale, Daimler AG retained a 100% interest in  
13 Freightliner but only a 19.9% interest in Chrysler LLC. See Dee Ann Durbin, "Cerberus Takes  
14 Over Chrysler," THE AUGUSTA CHRONICLE, August 4, 2007, *available at* 2007 WLNR  
15 17581881.<sup>1</sup> On August 13, 2007, the DaimlerChrysler Corporation PAC filed an amended  
16 statement of organization with the Federal Election Commission changing the name of the  
17 separate segregated fund to the Chrysler International Corporation PAC, and on December 14,  
18 2007, the name was changed to the Chrysler Service Contracts Inc. Political Support Committee.  
19 (hereinafter, "Chrysler PAC"). See Statements of Organization (amended), August 13, 2007;  
20 December 14, 2007.

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<sup>1</sup> A publicly available news source indicates that one Daimler AG executive sits on the eleven-member board of the newly-formed Chrysler LLC. See Laurence Frost & Jeff Bennett, "Daimler puts stamp on Chrysler Board" INTERNATIONAL HERALD TRIBUNE, August 21, 2007, *available at* 2007 WLNR 16237310.

Several days after the DaimlerChrysler sale was completed, the Teamsters filed this complaint alleging that Freightliner violated the Act when it denied the Teamsters' request to solicit voluntary contributions to DRIVE PAC from employees of Freightliner through a payroll deduction program. The complaint contends that although Freightliner LLC does not have a PAC, its affiliate, the DaimlerChrysler Corporation, has a separate segregated fund that uses a check-off plan to solicit contributions from its executive and administrative personnel, and therefore Freightliner must afford the union the opportunity to use a similar check-off plan to solicit contributions from union members. The complaint does not discuss the August 3, 2007 transaction, and all facts contained in the complaint refer to the respective companies' pre-sale status.

**III. LEGAL ANALYSIS**

The Act and the Commission's implementing regulations provide that "any corporation, including its subsidiaries, branches, divisions, and affiliates" that uses a lawful method of soliciting voluntary contributions from stockholders, executive or administrative personnel, and their families, must make that method available to a labor organization representing the company's employees. *See* 2 U.S.C. § 441b(b)(6); *see also* 11 C.F.R. 114.5(k).

In the present matter, 2 U.S.C. § 441b(b)(6) does not appear to place any obligation upon Chrysler LLC, f/k/a DaimlerChrysler Corporation. Therefore, the Commission finds no reason to believe that Chrysler LLC, f/k/a DaimlerChrysler Corporation violated the Act.

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